

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Purchase Tax – Passing on the entire purchase tax payable to Government @ Rs.60/- per MT by the sugar factories and Rs.22/- per MT by Khandasari units for 2011-2012 season to the Cane Suppliers as incentive - Orders – Issued.

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INDUSTRIES & COMMERCE (SUGAR) DEPARTMENT

G.O.Ms.No.71,

Dated:22-03-2012.

Read the following:-

- 1) G.O.Ms.No.2, Industries & Commerce (Sugar) Department, Dt.8-1-2011.
- 2) From the Commissioner of Sugar & Cane Commissioner, AP, Hyderabad, Letter No.C2/2282/2011, Dt.6.8.2011 & 27.8.2011.

ORDER:

In the reference 1st read above, Government have issued orders directing all the sugar factories and Khandasari Units in the State to pass on the entire Purchase Tax amount of Rs.60/- per Metric Tonne and Rs.22/- per Metric Tonne respectively, to the cane suppliers for 2010-2011 season.

2. The Commissioner of Sugar and Cane Commissioner, Hyderabad, in the reference 2nd read above has requested the Government for continuation of passing on the entire Purchase Tax incentive of Rs.60/- per MT by the sugar factories and Rs.22/- per MT by the Khandasari Sugar Units to the cane suppliers during 2011-2012 season also.

3. Government after careful examination of the proposal of the Commissioner of Sugar & Cane Commissioner, Hyderabad, hereby order for passing on the entire Purchase Tax amount of Rs.60/- per Metric Tonne and Rs.22/- per Metric Tonne payable by sugar factories and Khandasari Units respectively, to the Cane suppliers for 2011-12 season. For this purpose, the procedure as prescribed in the Annexure to this order shall be followed for payment of the above amount by all the Sugar Factories and Khandasari Units.

4. The Commissioner of Sugar and Cane Commissioner, Hyderabad, is requested to take necessary action in the matter.

5. This order issues with the concurrence of Finance (Exp.I&C) Department vide their U.O.No.3491/38/Exp.I&C/2012, Dt:22-3-2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**T.S. APPA RAO,
PRINCIPAL SECRETARY TO GOVERNMENT &
COMMISSIONER, INDUSTRIAL PROMOTION.**

To

The Commissioner of Sugar & Cane Commissioner, AP, Hyderabad.

All the Sugar Factories and Khandasari Sugar Mills in the State through the

Commissioner for Sugar & Cane Commissioner, Hyderabad.

The Secretary to Govt. of India, Ministry of Consumer Affairs, Food & Public

Distribution, Dept. of Food & Public Distribution, Krishi Bhavan, New Delhi.

The Commissioner & Director of Information & Public Relations, Hyderabad.

Copy to:

The Accountant General, A.P., Hyderabad.

The Prl. Secretary to Govt., Finance (R&E) Dept.

The Prl. Secretary to Government (IF), Finance Department.

The Prl. Secretary to Govt., Public Enterprises Dept.

The Finance (Exp.I&C) Dept.

The Finance (BG) Dept.

The P.S. to Minister (MI, Sugar, C&EP)

The P.S. to Addl. Secretary to Chief Minister.

SF/SCs.

//FORWARDED::BY ORDER//

SECTION OFFICER

ANNEXURE TO: G.O.Ms.No.71, INDUSTRIES & COMMERCE (SUGAR) DEPARTMENT, DATED:22-3-2012.

1. The Purchase Tax Incentive Cane Price of Rs.60/- per M.T. paid by the Sugar Factories and Rs.22/- per M.T. paid by Khandasari Sugar Mills to the Cane Suppliers shall be adjusted against the Purchase Tax for the cane purchased by them and payable to the Government, for which the following procedure shall be adopted.
2. As per the Sugarcane Pricing Policy in respect of crushing season 2011-12, the occupier of sugar factories should pay to the cane suppliers the purchase tax incentive price @ Rs.60/- per M.T. and obtain the signature of the cane suppliers for the value of the cane supplied. The Sugar Factories paying the incentive of Rs.60/- per M.T. to the cane suppliers through the Banks should submit a certificate of payments issued by the concerned Banks.
3. Immediately after the payment is made, and at the end of each crushing season the sugar factories shall prefer a bill for adjustment of the incentive price paid at Rs.60/- to the cane suppliers to the Commissioner of Sugar and Cane Commissioner, Andhra Pradesh, Hyderabad or his/her nominee to whom the powers are delegated by him/her. Along with the bill, the list of cane supplies to whom the incentive prices paid and the amount paid to them, duly certified and counter signed by the managements of the sugar factories shall be enclosed.
4. After receipt of the Bills as mentioned above from the sugar factories, the Commissioner of Sugar shall send a proposal to the Government to release funds / Budget Release order, and BRO will be issued by Finance Department from the budget provision, if necessary additional funds over and above budget provision towards reimbursement of Purchase Tax.
5. After receipt of BRO / Administrative Sanction, the Commissioner of Sugar & Cane Commissioner of Andhra Pradesh, Hyderabad shall prefer an adjustment bill with the Treasury duly indicating the Debit Head of Account "2852 – 08 – MH -201 SUGAR – SH (08) ASSISTANCE TO COOPERATIVE SUGAR FACTORIES TOWARDS REIMBURSEMENT OF PURCHASE TAX INCENTIVES – 310/312 OTHER GRANTS IN AID" and **Credit Head of Account** ie., "0045 - OTHER TAXES AND DUTIES OF COMMODITIES AND SERVICES - 114 - RECEIPTS UNDER SUGARCANE (REGULATION OF SUPPLY AND PURCHASE) ACT, 1961 (01) – TAX COLLECTION' PURCHASE TAX ON SUGARCANE' for adjustment of the amounts towards Purchase Tax.
6. The Commissioner of Sugar and Cane Commissioner shall obtain supplementary grant during the respective financial year for the amount actually adjusted over and above the budget provision.
7. The Incentive Cane Price of Rs.60/- to the cane suppliers shall be paid by the sugar factories within 14 days from the date of purchase of cane failing which interest shall be charged on purchase tax incentive due amount as per the Act and Rules in force and the interest portion shall be passed on to the respective cane suppliers.
8. The same procedure as prescribed above should be followed in respect of Khandasari Sugar Mills which are required to pass on Rs.22/- per M.T. by way of Purchase Tax to the suppliers.
9. These orders shall come into force with immediate effect.

**T.S.APPA RAO,
PRINCIPAL SECRETARY TO GOVERNMENT &
COMMISSIONER, INDUSTRIAL PROMOTION.**

//FORWARDED::BY ORDER//

SECTION OFFICER